TESTIMONY OF JOHN MORALES, CHAIRMAN ASSINIBOINE AND SIOUX TRIBES OF THE FORT PECK RESERVATION BEFORE THE HOUSE RESOURCES COMMITTEE SUBCOMMITTEE ON WATER AND POWER ON H.R. 2978 DECEMBER 7, 2005

My name is John Morales, I am the Chairman of the Assiniboine and Sioux Tribes of the Fort Peck Reservation. I am here to testify in support of H.R. 2978. I would like to thank the Chairman for the opportunity to testify and also Congressman Rehberg for his strong support of the Tribes and this Project. He was a proponent of this project before he was a member of Congress and continues to be one today.

I want to begin by giving a little background on where I come from and our drinking water needs. The Fort Peck Reservation consists of over two thousand square miles of land in northeastern Montana. The water quality within the Fort Peck Indian Reservation ranks among the poorest in the country. Currently, most public water systems and individuals on self-supplied rural systems on the Reservation and in the surrounding areas rely on groundwater. Much of our groundwater is extremely high in total dissolved solids and sulfates. These contaminants make the available supplies unhealthy for drinking, cooking, and bathing. Fixtures become stained and corroded with short term use. As reported by the Indian Health Service, the lack of good quality water is the cause of the higher incidences of gastrointestinal distress and water related diseases of the skin that we experience in the region.

Even worse, the lethal brine produced from the oil and gas recovery has mixed naturally with the groundwater, destroying certain aquifers in the Poplar area. Some ranchers have abandoned their homes due to brine contamination. Even in those areas where brine is not found, the nitrogen levels approach or exceed safe drinking water standards, thus threatening the health of the elderly and small children.

At the same time, the future domestic water needs of the Reservation are expanding. Current census data show the Reservation population increasing over 30% in the next twenty years. In addition, this Project is crucial for protecting the livestock operations of the region. A major constraint to ranching is the lack of available watering sites for cattle. This Project would provide the needed pasture taps for livestock watering which would boost the Reservation economy and the economy of the entire region. In addition, distributing livestock water to pasture taps at different locations throughout the range would be an effective measure for soil conservation and range management. Further, while the Tribes are working diligently

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to attract new businesses to locate on or near the Reservation, it is a difficult task without an adequate supply of water. We need private sector development to address the chronic 60% unemployment on our Reservation. Without good water, this is next to impossible.

The Fort Peck Reservation Rural Water System, authorized by P.L. 106-382, will address this great need. Specifically, the Fort Peck Water Project will provide drinking water to every resident of the Fort Peck Indian Reservation and the communities surrounding the Reservation—Dry Prairie Rural Water System. The water for the Project will be diverted from the Missouri River at a single location south of Poplar to an intake system. The estimated amount of annual project diversion is 6,000 acre feet for the entire Project area. The Missouri River at the point of diversion has an average annual streamflow of approximately 7.5 million acre feet. The Tribes, pursuant to its tribal-state water rights compact (one of the first in the Nation), hold a water right to nearly one million acre feet in the Missouri River. This compact has been approved by the Montana Water Court and is binding on all the parties. This Project will finally enable the Fort Peck Tribes to receive critical benefits from its water settlement with the United States and the State of Montana. The cost of constructing the Reservation wide system is \$124 million—in 1998 dollars—and is 100% a federal responsibility, as are the operation and maintenance costs.

As a result of this settlement, the Tribes are able to make a significant contribution to the Project—the water that will be used for the entire system. In order to accomplish this, the Tribes and Dry Prairie are set to enter into an agreement, allowing Dry Prairie to use the water. The Dry Prairie allocation will be approximately 2,300 acre feet of water.

The agreement, of course, is consistent with the provisions of the Tribes' Water Compact. However, to address any possible questions regarding the Tribes' grant of use of this water to Dry Prairie, both the Tribes and Dry Prairie would like the Secretary's authority to approve this water use agreement to be clearly approved by Congress. The bill we are discussing today, H.R 2978, which was drafted by the Tribes, Dry Prairie and the Department of the Interior, does this.

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This legislation is important to allow this unique and model partnership to move forward. We urge the Committee's approval and swift passage. Once again, thank you for the opportunity to testify.

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DISCLOSURE REQUIREMENT Required by House Rule XI, clause 2(g) and Rules of the Committee on Resources

A. This part is to be completed by all witnesses:

1. Name:

John Morales

2. Business Address:

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3. Business Phone Number:

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4. Organization you are representing: Assiniboine and Sioux Tribes of the Fort Peck Reservation

5. Any training or educational certificates, diplomas or degrees or other educational experiences which add to your qualifications to testify on or knowledge of the subject matter of the hearing:

N/A

6. Any professional licenses, certifications, or affiliations held which are relevant to your qualifications to testify on or knowledge of the subject matter of the hearing:

N/A

7. Any employment, occupation, ownership in a firm or business, or work-related experiences which relate to your qualifications to testify on or knowledge of the subject matter of the hearing:

N/A

8. Any offices, elected positions, or representational capacity held in the organization on whose behalf you are testifying:

Chairman of the Tribal Executive Board

B. To be completed by nongovernmental witnesses only:

- 1. Any federal grants or contracts (including subgrants or subcontracts) from the <u>Department of the Interior</u> which you have received since October 1, 2000, including the source and the amount of each grant or contract:
- 2. Any federal grants or contracts (including subgrants or subcontracts) the <u>Department of the Interior</u> which were received since October 1, 2000 by the organization(s) which you represent at this hearing, including the source and amount of each grant or contract:
- 3. Any other information you wish to convey which might aid the members of the Committee to better understand the context of your testimony: